

8(a) Business Development (BD) Program

Is It *Right* For You?

Presenters:

Robert Watkins: Acting Associate Administrator, Office of Business Development

Richard Blum: Business Opportunity Specialist, Office of Cert. & Eligibility

Francine Morris: Program Analyst, Office of Business Development

Sandra Barrett: Business Opportunity Specialist (WMADO)

Karen Williams: SCORE

Daniel Upham: Office of Financial Assistance

Keith Waye: Procurement Center Representative

Agenda

- ✓ **Overview of 8(a) Business Development (BD) Program**
- ✓ **8(a) BD Program Benefits**
- ✓ **Continuation of 8(a) BD Program Participation**
- ✓ **Business Development**

Overview of 8(a) Business Development (BD) Program

What is the 8(a) Business Development Program?

- **THE LAW:** Began as a public law - named after Section 8(a) of the Small Business Act 1953 (Public Law 95-507 & 100-656)
 - <http://www.sba.gov/content/small-business-act> - full copy of the Small Business Act
- **SBA REGULATIONS:** Governed by 13 CFR § 124
 - www.ecfr.gov – click on “Title 13” and then “Part 124”
- **ADD’L FEDERAL REGULATIONS:** Incorporated in the Federal Acquisition Regulations (FAR), under Part 19, Small Business Programs
 - www.ecfr.gov – click on “Title 48” and then “Part 19”

What Are The Objectives of The 8(a) Business Development Program?

- “to promote the business development of small business concerns owned and controlled by socially and economically disadvantaged individuals...”
- “to promote the competitive viability of such [firms] ...”
- “to clarify and expand the program for procurement by the United States...”

This is what Congress intended. . .

What Are The Benefits of The 8(a) Business Development Program?

- Obtain management and technical assistance through the 7(j) Management and Technical Assistance Services Program
 - Receive counseling and training in areas: financing, management, accounting, marketing, etc...
 - Identify and develop business opportunities
- May be able to receive sole-source contracts
- Form joint ventures and teams via Mentor-Protégé Program

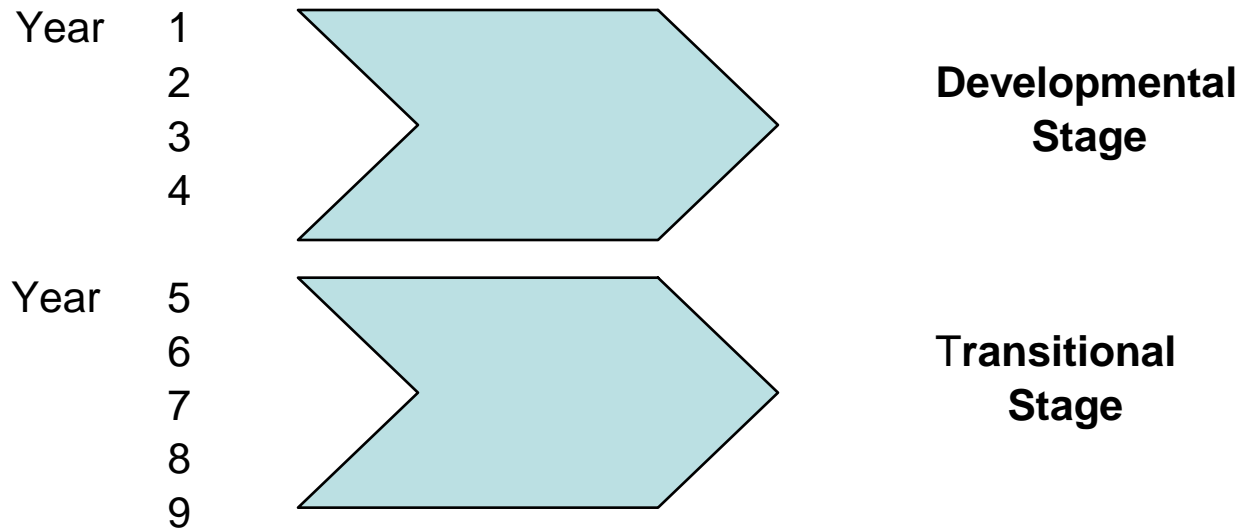
What Are The Goals And Requirements of The 8(a) Business Development Program?

Goal: To graduate 8(a) firms that will go on to thrive in a competitive business environment.

Requirements:

- Maintain a balance between commercial and government business
- Limit on the total dollar value of sole-source 8(a) contracts
- Complete Annual Reviews
- Develop and update Business Plan
- Continue to meet the eligibility requirements during the 9-year program term

What Length of Time May a Business Participate in the 8(a) BD Program?



- A Participant receives a onetime only program term of **nine years** from the date of SBA's approval letter certifying the concern's admission to the program.
- The Participant must maintain its program eligibility during its tenure in the program and must inform SBA of any changes that would adversely affect its program eligibility.
- The nine year program term may be shortened only by termination, early graduation or voluntary withdrawal.

8(a) BD Program Benefits

What is the 7(j) Program?

- Section 7(j) of the Small Business Act authorizes the Agency to provide management and technical assistance to certain individuals and businesses eligible.

QUESTIONS:

- What assistances are offered under the 7(j) Program?
- How are the assistances delivered?
- I need assistance in writing proposal to respond to RFP/RFQ, does 7(j) offer this?
- I need assistance in business development in term of market intelligence and capturing opportunity, does 7(j) offer this?

What is the Mentor-Protégé Program?

- The 8(a) Business Development Mentor – Protégé Program is a mechanism to enable successful firms (mentors) to provide business development assistance to 8(a) BD Program Participants (protégés).

QUESTIONS:

- What assistances are offered under the Mentor-Protégé Agreement?
- I have met some large company reps in my field, educational research, but they have communicated little interest in working with my company. What can I do to persuade or convince them?
- Once I have found Mentor, what do I do next to participate in the Mentor-Protégé Agreement?

What is an 8(a) Joint Venture?

- The purpose of an 8(a) joint venture is to enable a Program Participant to perform under requirement for which it would otherwise lack capacity (e.g., financial, human capital, equipment, etc.), in order to further its overall business development.

QUESTIONS:

- What are the conditions for a joint venture under an 8(a) contract to be approved?
- Do I need to have an approved Mentor-Protégé Agreement before I can form a joint venture?

What are 8(a) Contracts?

- 8(a) contracts are Federal requirements awarded to eligible small business concerns, pursuant to Section 8(a) of the Small Business Act, as amended.
- Generally, 8(a) contracts for goods and services valued up to \$4 million, and for manufacturing valued up to \$6.5 million, may be awarded on a sole-source basis. Requirements above these values are ordinarily awarded competitively.

QUESTIONS:

- What do typical Sole-Source and Competitive 8(a) contracts look like?
- What are some of the inherent advantages of Sole-Sourcing 8(a) work (versus traditional competitive contracting), which I can sell my client on? For example, does Sole-Source allow the scope or dollar ceiling to be changed without as much overhead/justification from my client?

Continuation of 8(a) BD Program Participation

SBA's Required Reviews Consists of the following Components:

- Annual Review
 - Financial Statement Review
 - Business Plan Review
- Continuing Eligibility Review

What is an Annual Review?

- The purpose for performing an Annual Review is to assist firms with their business development.
- This is an effort to track the firm's growth, assist with its developmental needs and identify any concerns that may impair the firm's ability to grow and succeed in the program.

QUESTION:

- Do I need to request a waiver if I want to have a second job because my firm is not making enough money?

What is a Financial Review?

- The purpose for performing a financial statement review is to determine eligibility as well as meeting the business activity targets.

QUESTION:

- Do my firm's financial statements need to conform to GAAP standards?

What is a Business Plan Review?

- The purpose for performing a business plan review is to determine whether an 8(a) firm is on target and meeting its goals/objectives and SBA's required Business Activity Targets (BAT) (for those firms who are in the Transitional Stage).

QUESTION:

- Why I do need to update if there are no changes in my business plan?

What is a Continuing Eligibility Review?

- The purpose for performing a Continuing Eligibility Review is to ensure firms are compliant per 13 CFR § 124.102 through 124.112.

QUESTION:

- Do I need to notify SBA if I plan to sell my ownership to another individual?

Business Development

How Do I Increase My Small Business Procurement Opportunities?

- Federal Business Opportunities
- Acquisition Central Small Business Forecast
- Federal Procurement Data System
- Partnering Solutions

QUESTION:

- Are there training on how to use these procurement systems?

How Do I Market to Federal Government Customers?

- Focus on What Matters to the Customers:
 - Customers Concerns
 - Customers Budget
 - Customers Support System
 - Customers Resources
 - Customers Vision
 - Customers Last Experience

QUESTION:

- Since being on the 8(a) BD program, I've contact and submitted marketing information to several small business specialist contracting specialist, and contracting officers to consider set aside for competitive contract opportunities as well as making numerous attempts to schedule meeting to provide a brief presentation about my firm. However, with all our efforts to reach out, our firm receive no responses via email or phone to schedule meetings. What else can I do?

How Can I Get Financial Assistance?

- SBA offers the following financial assistance:
 - Loans
 - Grants
 - Surety Bonds
- SBA also has the Small Business Investment Company (SBIC)

QUESTION:

- Where can I get more information about these financial information?

What Other SBA's Assistance Programs Are There?

- SBA District Offices
- SCORE Chapters
- Small Business Development Centers
- Procurement and Technical Assistance Centers

QUESTION:

- How do I get in touch or get more information about these programs?

Questions?

SBA Answer Desk: 800-827-5722

answerdesk@sba.gov

8(a) Office: 202-205-5852

8aquestions@sba.gov

Locally:

[SBA District Offices](#)

www.sba.gov/tools/local-assistance/districtoffices@sba.gov